



# OCCASION

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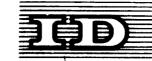
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ID/B/SR.17 18 July 1967

United Nations Industrial Development Organization

JOJII

ORIGINAL: ENGLISH

INDUSTRIAL DEVELOPMENT BOARD

First Session

SUMMARY RECORD OF THE SEVENTEENTH MEETING

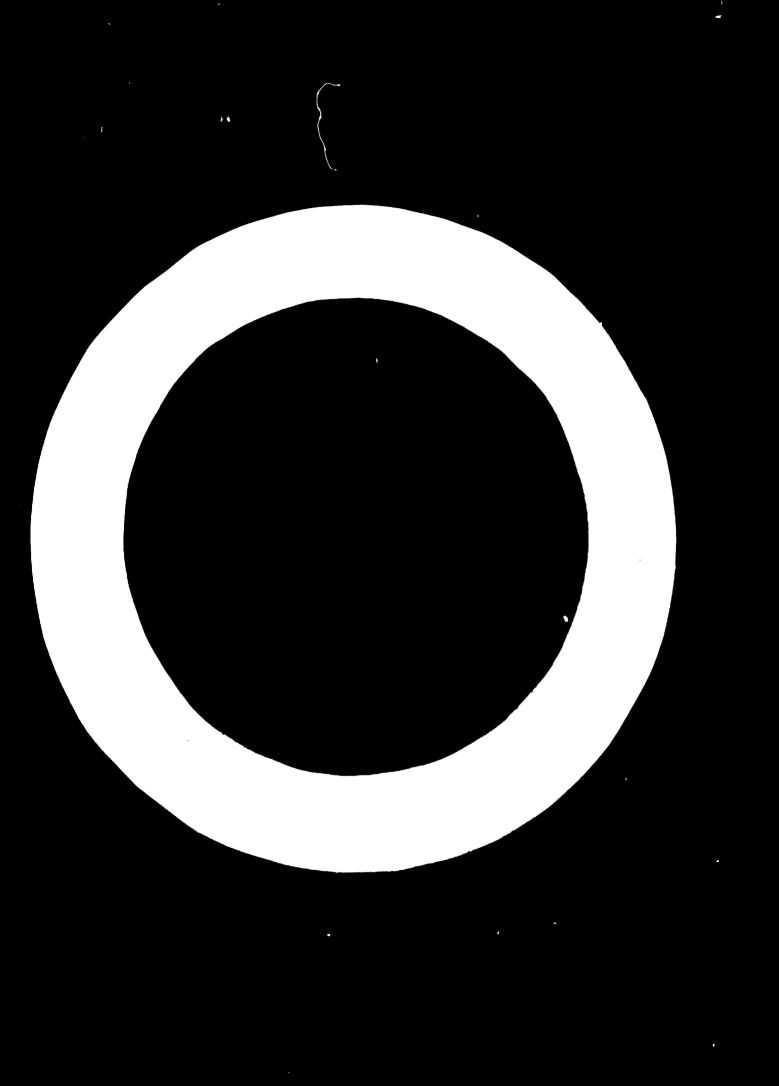
Held at Headquarters, New York, on Wednesday, 26 April 1967, at 10.45 a.m.

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PRESENT:

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١. (Jordan) Mr. TELL (Guinea) Mr. MBAYE Argentina Mr. VIDAL ETCHEVERRY Austria Mr. REISCH Belgium Mr. DELVAUX Brazil Mr. REGO MONTEIRO Bulgaria Mr. VLADOV Cameroon Mr. BELEOKEN Canada Mr. ABELL Colombia Mr. ORLARTE Cuba Mr. INCHAUSTEGUI Czechoslovakia Mr. GABRIEL Federal Republic of Germany Mr. SCHMIDT-HORIX Finland Mr. KOSKELA France Mr. ERMST Ghana Mr. THERSON-COFIE Guinea Mr. DIABATE India Mr. CHADHA Indonesia Mr. TAIHITU I:an Mr. ORDOOBADI Italy Mrs. FORCIGNANO Ivory Coast Mr. KOFFI Japan Mr. IKEDA Jordan Mr. KHURMA Kunnait Mr. AL-SHATTI Netherlands Mr. LUBBERS Mgeria Mr. OLUMIDE Pakistan Mr. DASTGIR Peru Mr. FERMANDINI Philippines Mrs. KODIKARA Romania Mr. DUMITRESCU Rva nda Mr. RYABOMIENCE Spain Mr. OUERECA

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<u>Members</u>:

President:

Rapporteur:

SENT (continued):		
<u>Members</u> (continued):	Mr SAHLOUL	Sudan
	Mr. WETTERSREN	Sweden
	Mr. DAHINDEN	Switzerland
	Mr. BARPUYAWART	Thailand
	Mr. ARCHIBALD	Trinidad and Tobago
	Mr. ALTINEL	Turkey
	Mr. ANA NICHEV	Union of Soviet Socialist Republics
	Mr. SALAMA	United Arab Republic
	Sir Edward WARNER	United Kingdom of Great Britain and Northern Ireland
	Mr. BLAU	United States of America
	Mr. MENDIOLA	Urugua y
	Miss CAMPBELL	Zambia
Observers for Member	States:	
	Mr. FU	China
	Mr. MULONGO	Congo (Democratic Republic of)
	Mr. SUBERO	Dominican Republic
	Mr. MAKAYA-CASTANOUL	Gabon
	Mr. ALI	Iraq
	Mr. CARRANCO AVILA	Mexico
	Mr. CHULUUNBAATAR	Mongolia
	Mr. L4 VCEVIC	Yugoslavia
Representatives of sp	ecialized agencies:	
	Mr. AMMAR	International Labour Organisation
	Mr. ATEN	Food and Agriculture Organization of the United Nations
	Mrs. KALM	World Health Organization
Representative of the	International Atomic Ener	rgy Agency:
	Mr. HAJAR	
Representative of the	General Agreement on Tar	iffs and Trade:
•	Mr. HORTLING	

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PRESENT (continued):

Representatives of other United Nations todies:

	Mr. HARLAND	United Nations Development Programme
<u>Secretariat</u> :	Mr. ABDEL-K. AMAN	Executive Director, United Nations Industrial Development Organization
	Mr. QUIJANO CABALLERO	Director, Technical Co-operation Division
	Mr. GRIGORIEV	Director, Industrial Technology Division
	Mr. CHUDGON	Assistant Director, Industrial Technology Division
	Mr. MULLER ) Mr. STORDEL)	United Nations Conference on Trade and Development
	Mr. Sylla	Secretary of the Board

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#### STATEMENT BY THE OBSERVER FOR YUCOSLAVIA

Mr. LAVCEVIC (Observer for Yugoslavia) said that industrial development was of crucial importance to developing countries. Modern scientific and technological achievements offered tremendous possibilities for general economic and social development in all areas of the world, provided that a new division of international labour, geared to the accelerated industrialization of the developing countries, emerged. Unfortunately, however, industrialization in the developing countries was still lagging because of the lack of financial resources and technical assistance and because of those countries' adverse trade situation. For example, despite substantial economic progress over the past twenty years, particularly in the field of industrial development, Yugoslavia still was essentially a developing country. Although it had received foreign credit and technical assistance. Yugoslavia had made that progress mainly by mobilizing all its domestic resources and by making its own projections and taking its own decisions. Every country, irrespective of its social system, could achieve substantial progress in industrial development through such mobilization of domestic resources.

Yugoslavia's experience clearly demonstrated that industrial development was the only way to eliminate economic backwardness, even though a long time must inevitably elapse before the results of investment in industrial development became apparent. However, the process of industrialization need not be as long as it had then for the older industrialized countries, since countries embarking on industrialization could now make more effective use of modern science and technology. It had been suggested that because of the substantial financial resources, highly skilled manpower and scientific research work required, those countries should follow a gradual course of transition, but it must be remembered that they would, in any case, first have to master and apply modern technology. Any other course would mean that their economies would be backward and would lag behind the contemporary momentum of industrial development. UNIDO's future programmes should reflect the importance of modern technology in the industrialization cf developing countries.

Because industrialization was a complex and continuing process, a more studied approach to the concept of long-term industrial development was needed.

# (Mr. Lavcevic, Observer for Yugoslavia)

Of course, the nature and methods of industrial development in different countries varied according to the material and human resources of the country concerned, and planning and programming were therefore essential for the most effective utilization of natural resources and manpower. Consequently, there must be a balance between industrial and agricultural development so that all sectors were properly integrated into the national economy. Nevertheless, in order to assist the advancement of other sectors, industry should be developed to a greater degree than those sectors, provided that it did not outstrip them.

It had been suggested that UNIDO should assist developing countries to modernize their agricultural systems through the establishment of such industries as those producing fertilizers, pesticides, tractors and agricultural implements. However, Yugoslavia's experience shared that the development of such industries did not substantially increase agricultural output, and that progress was best achieved through the establishment of agro-industrial complexes. By converting agricultural activities into industrial production, agro-industrial complexes, which were also used in industrialized countries, had led to a great increase in Yugoslavia's industrial and agricultural output. The products of such industry were of good quality and were finding a ready market both at home and abroad. Agro-industrial complexes had become export-oriented industrial sectors, had developed and intensified co-operative farming by small landowners and farmers, and were assisting small landowners in the application of modern agricultural technology. Ancillary industries which manufactured modern equipment for those complexes had also been developed. Yugoslavia, which now had highly qualified experts in that field, was ready to extend to other developing countries all the assistance it could in that sphere. UNIDO's work programme should include that new sector, which was of major importance to the developing countries.

The Yugoslav Government shared the view that UNIDO should be an action-oriented body. It was gratifying to note that the representatives of industrialized countries had also stressed that need, but it was unfortunate that it had not been adequately reflected in the unofficial paper on future UNIDO programmes of work prepared by the countries of group B. His delegation fully supported the unofficial paper of the Group of Twenty-Five, which was more in keeping with the views expressed in the Board and the requirements of the developing countries.

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## (Mr. Lavcevic, Observer for Yugoslavia)

UNIDO's future programme of work would certainly be fully supplemented by the conclusions and recommendations of the forthcoming International Symposium on Industrial Development, and it was to be hoped that they would relate, <u>inter alia</u>, to the collection and dissemination of industrial programming data, which were indispensable for meaningful industrial development plans. In discussing the future work programme, it would also be valuable to have a compendium indicating the findings and recommendations of the regional symposia, and it was to be hoped that the Secretariat would prepare such a document for the forthcoming Symposium.

Yugoslavia attached particular importance to the Symposium. It had set up a Federal Commission to make the necessary preparations and would submit a number of papers on individual agenda items. In order to facilitate and increase the efficiency of the Symposium's work on the wide-ranging and important questions on its agenda, the Board should decide a number of organizational, procedural and other questions, including the items and sub-items to be considered by particular committees, and the question of establishing working groups with precisely defined subject topics.

## INTERNATIONAL SYMPOSIUM ON INDUSTRIAL DEVELOPMENT (ID/B/5) (continued)

<u>Mr. ABDEL-RAHMAN</u> (Executive Director) said that he had taken note of the points raised and suggestions made during the Board's discussion and would transmit them to the Symposium. In order that the Symposium should make the fullest possible use of the limited time available, it was essential that discussion of organizational matters should be kept to a minimum, and he therefore hoped that the Board would be able to recommend to the Symposium the adoption of the provisional agenda and the rules of procedure, as contained in the annexes to document ID/B/5. He noted that the provisional agenda had already been discussed and approved by the Centre for Industrial Development and the Economic and Social Council, and that the decision of the latter body had been noted with approval by the General Assembly in its resolution 2178 (XXI). Moreover, the agendas of the regional symposia, the success of which had been referred to by a number of representatives, had been much the same as that proposed for the forthcoming Symposium.

<u>Mr. LUBBERS</u> (Netherlands) proposed that the Board should recommend to the Symposium the adoption of the provisional agenda and the draft rules of procedure as contained in the annexes to document ID/B/5.

<u>Mr. INCHAUSTEGUI</u> (Cuba) said that if the Board decided to recommend the adoption of the provisional agenda and rules of procedure, his delegation wished the report to reflect its reservations to rule 4, which violated the principle of universality, and rule 8, which conferred excessive powers on the President of the Symposium.

<u>Mr. REGO MONTEIRO</u> (Brazil) stressed the fact that the Symposium would be entirely free to adopt its own agenda. The Brazilian delegation therefore reserved its right to express its views on the agenda at the Symposium itself.

<u>Mr. ABELL</u> (Canada) said that his delegation would be able to approve the provisional agenda and the draft rules of procedure on the understanding that full consideration would be given to the suggestions which it had made (ID/B/SR.16) regarding possible changes in the provisional agenda.

The PRESIDENT said that if he heard no objection he would take it that the Board adopted the Netherlands proposal, with the understanding that the reservations expressed by the delegations of Brazil, Canada and Cuba, and the comments of the Executive Director would be reflected in the report.

It was so decided.

The meeting rose at 11.35 a.m.

